

NOTE: These minutes do not constitute a verbatim transcription of the CPC meeting.

**CITY PLANNING COMMISSION
REGULAR MEETING
March 16, 2006**

APPROVED

Call to Order: The meeting was called to order by Chairperson Arthur Simons in the Committee of the Whole Room, 13th Floor of the Coleman A. Young Municipal Center, at 4:50 PM.

Roll Call: Present at the meeting were Commissioners Cason, Glenn, Jeffrey, Simons, Smith, and Wendler. Absent were Commissioners Glaser (excused), Christensen (excused) and Williams (excused).

Agenda: The Agenda was amended to delete presentation of the Citizen Review Committee's recommendations on the 2006-2007 Neighborhood Opportunity Fund program.

The Agenda was further amended to include consideration of the Michigan Department of Transportation's request for support for the Detroit River International Crossing Study.

Minutes: ACTION: Commissioner Smith moved to approve the minutes of the Regular Meeting of February 16, 2006.
Commissioner Glenn seconded the motion.
Motion carried.

ACTION: Commissioner Wendler moved to approve the minutes of the Regular Meeting of March 2, 2006.
Commissioner Smith seconded the motion.
Motion carried.

PUBLIC HEARING--
Request of Bagley Housing Assoc. to rezone area of Porter, the alley first east of 17th, 17th, and Howard from M3 to PD: A public hearing was held on the request of Bagley Housing Association (BHA) to rezone property generally bounded by Porter Street, the alley first east of 17th Street, 17th Street, and Howard Street from an M3 (General Industrial District) zoning classification to a PD (Planned Development District) zoning classification for the development of two (2) new market rate, single-family homes. The proposed new PD classification would be an expansion of the adjacent PD district that exists to the south and east that has been developed with new housing by the petitioner.

CPC staff member Kimberly Haygood presented the background information, surrounding zoning and land uses, and proposed development.

The proposed rezoning, located at 2443-2447 Porter, is less than one acre in size and is surrounded by other residential and industrial uses. Historic St. Anne's Church is located southwest of the property. Numerous new single-family homes are in the immediate area. The Rio Vista Apartments are located south of Porter.

The subject parcel will contain two new market rate homes, which will be part of a larger 8-10 unit single-family development. The homes will be situated on the lot facing Porter and contain over 2,200 square feet. The houses will feature four bedrooms, 2.5 bathrooms, full basements, and an attached 2-car garage and be priced between \$185,000 and the \$200,000's. The proposal represents the first single-family market rate development project by BHA. The Association hopes to create a mixed-income community with a variety of housing styles using Stanton Park as an added incentive to the new development.

CPC staff felt that the new homes would provide a transition from the townhouse community located directly to the south. The new development would contribute to a viable, mixed-income community, featuring homes with appealing architecture and appropriate landscaping.

The subject site is located within the Hubbard-Richard subsector of the Southwest Sector of the Detroit Master Plan of Policies. The "Recommended Future General Land Use" map indicates "Low-Medium Density Residential" usage for the subject area in the Master Plan. CPC staff felt that the proposed rezoning from M3 to PD and development for single family residential would be consistent with the Detroit Master Plan of Policies.

The CPC office did not receive any correspondence from residents or local businesses in support of or in opposition to the proposed rezoning.

CPC staff showed photos of the subject and surrounding site.

Ms. Haygood reviewed the site plan and other elements that are not part of the current proposal such as the construction of the larger 8-10 unit single family development and the placement of a gate on Porter between 17th and 18th St. to separate access to the private roadway for the development from the public.

Vince Murray and Dan Loacano of BHA reviewed the plan.

Mr. Murray noted that in the area BHA constructed 75 subsidized single-family homes containing 1,400 square feet. The current proposal represents BHA's first venture into the construction of market rate housing. The homes will contain 1,800-2,200 square feet and provide amenities not offered in the subsidized houses. The standard material for the homes will be hardy plank but brick will be an option. BHA believes there is demand for the housing as evidenced by specs prepared for financing. Commitment to perform a full build-out is dependent upon an executed purchase agreement. Construction is expected to begin in May 2006.

Mr. Murray believed the new houses would "feed in" nicely with existing development in the area.

In response to Commissioner Glenn, Mr. Murray believed the community is appreciative of the market rate development and looking forward to the build out.

Commissioner Wendler welcomed the development of the market rate housing. In the larger realm of planning, a great deal of affordable housing is being built. BHA is the first organization to take on the development of market rate housing in this area.

The following persons spoke at the public hearing.

Mike Gibson, 12746 Mendota, owner of Holy United Trinity Church, 1408 17th St., expressed concern about lot 141 located immediately to the south of the Church and owned by BHA. He expressed concern regarding eminent domain. He did not want to lose the Church to any building project.

Ms. Haygood noted that in the planning process, there had been discussion about placing two homes on that lot. But BHA is not proposing that at this time. BHA would like to continue talking to the Church regarding the lot. There are no plans to take the Church.

Commissioner Jeffrey pointed out that only a municipality, not a developer, could acquire property through the eminent domain process. BHA does not have the authority to take property via eminent domain. With good reason, the City has not exercised its eminent domain authority since the Graimark project. BHA is only engaging in infill development.

Rev. Carolyn Gibson of Holy United Trinity Church emphasized that BHA, not the Church, owns the lot. For several years, the Church attempted to purchase the lot in order to develop parking for the Church. However, BHA outbid the Church. Presently, only on-street parking exists for Church patrons. Last year, the Church talked to BHA about purchasing the lot. BHA offered to lease the lot, but the Church was not interested. Holy United Trinity owns a vacant lot on the other side of the Church. However, that lot is too small to develop enough parking spaces to accommodate the Church. Presently, Church membership is at 100. The Church is able to hold 200-300 persons. Rev. Gibson noted that the congregation is growing. Many members are from the immediate area. New housing developments in the area have had a positive effect on the Church.

Ms. Haygood again noted that BHA would be in discussion with the Church regarding possible plans for the lot. She suggested that at that time, the Church should negotiate with BHA for development of a parking lot to service the Church.

CPC staff recommended approval of the rezoning subject to the submittal of final landscaping and site plans to CPC staff for review and approval prior to the issuance of applicable permits.

**ACTION: Commissioner Cason moved to accept the CPC staff recommendation.
Commissioner Smith seconded the motion.
Motion carried.**

2006-2007
CDBG:

CPC staff members Chris Gulock, Deborah Ferris, James Ribbron and Kimberly Haygood presented an overview and preliminary recommendations on the 2006-07 Community Development Block Grant Program (CDBG).

Mr. Gulock noted that a total of 330 proposals were submitted, 73 less than in 2005-06. Of the 330, 297 were reviewed under the Neighborhood Opportunity Fund (NOF) and 33 under CDBG line item funding.

The 2006-07 entitlement amount is \$38,874,455; program income is estimated to be \$2,755,480. The total funding amount represents a 12.2% decrease from 2005-06.

Mr. Gulock reviewed other funding constraints including public service and administrative cap amounts and Section 108 repayments.

Commissioner Wendler inquired as to the primary reason for the decrease in the amount of entitlement funds for 2006-2007. CPC staff noted minor adjustments as a result of census figures and funding cuts to HUD's appropriation due to spending priorities of the Federal administration, including the war on terrorism, Hurricane Katrina relief efforts, etc. Projections indicate that Detroit's 2007-08 entitlement will be 25%-30% less than the 2006-07 entitlement.

Commissioner Jeffrey emphasized the need for the City to figure out a way to recapture some of the CDBG dollars. The City will be in serious trouble if it is "hit" with a 30% cut. CDBG should be used as a means of recycling and reinvesting in order to bring money into the "pot." He noted that several years ago, the city of Denver had only a \$12 million CDBG allocation, but was able to generate \$5 million per year in program income.

Discussion ensued on how program income is determined. Mr. Gulock noted that it is based primarily on the sale and rental of urban renewal properties. Approximately 1/4 of the income is comprised of Section 108 repayments.

Discussion ensued on the Section 108 loan repayment process. Commissioner Wendler explained that the CDBG process guarantees the repayment of the loan. If a developer defaults on a payment, the CDBG has to cover that cost. The actual loan comes from HUD. For the most part, the loans are repaid.

Discussion ensued on when the funds reserved for repayments becomes program income.

Commissioner Jeffrey expressed concern that the City does not have a program in which it is investing money. Basically, the CDBG funds are going out the door with no expected return. The City has not developed a mechanism whereby CDBG funds would be spent wisely to maximize return. Unless the City starts investing the funds in some way to garner a return, the City is just giving the money away. Some of the money needs to be used more wisely to maximize the return.

Commissioner Cason suggested calculating the investment return on those projects that enhance the city.

Commissioner Wendler agreed for the need for a return on investment and in some cases, the need to receive interest. She noted that there is return on projects funded through the CDBG program, such as housing development and commercial redevelopment programs.

Mr. Gulock reviewed demolition funding figures and activity for the past five years. The City has spent approximately \$250 million on the demolition program. The demolition budget accounts for 20% of the CDBG program.

Commissioner Wendler emphasized that property owners need to be held responsible for taking care of their properties. She expressed strong support for the resolution on the placement of liens in order to provide investment funds.

Commissioner Jeffrey noted that persons who live outside the City own most of the buildings demolished with CDBG funding. The City knows who owns those properties. The City needs to go after them and get that money back. The City cannot afford to continue not recouping the cost of demolition. If the Law Department is not capable of going after the property owners, the work should be contracted out.

Upon questioning, Mr. Gulock noted that CPC staff is still awaiting a response to its January correspondence to the Law Department regarding the implementation of the lien placement program.

The Commissioners expressed support for adopting the resolution prepared by CPC staff regarding the lien placement process.

Commissioner Wendler cited the need for the CPC to understand the context of the lien placement program and process in order to be better advocates. Upon questioning, Mr. Loper noted that the CPC could request City Council to ask the Research and Analysis Division to provide the context.

Although not against public service projects, Commissioner Jeffrey noted that when reviewing the 2006-07 CDBG program, he would pay special attention to those projects that are generating jobs, taxes, etc. Favorable treatment would be given to those programs or groups that are going to bring a return in investment. A more thorough analysis is needed on how the CDBG funding is being spent.

The Commissioners agreed to schedule a special meeting on March 30, 2006 to discuss CPC staff's preliminary recommendations on the 2006-07 CDBG program and to receive the Citizen Review Committee's recommendations on the 2006-07 Neighborhood Opportunity Fund.

DRIC
Study:

Consideration was given to the Michigan Department of Transportation's (MDOT) request for CPC support of the Detroit River International Crossing Study (DRIC).

CPC staff member Marcell Todd noted that MDOT presented an update on the project at the February 16, 2006 CPC meeting. At that time, the project was well received by the Commissioners. Since that time, CPC staff has been made aware of concern by members of the House and Senate Transportation Committee that the study process reached conclusions

without explanation of how decisions were made and without adequate discussion. Mr. Todd noted that as a result of the concerns, hearings have been scheduled for March 23 and March 30, 2006 on the topic. Copies of the correspondence from the Committee outlining its concerns as well as the response to these concerns from State Representatives were included in the CPC table packets.

Mr. Todd noted that as a result of the concerns, MDOT is seeking written and oral support for the project moving forward and would like some expression of support from the Commission.

Commissioner Wendler urged the Commission to send a letter to MDOT expressing support for the study. She supported the comments contained in the January 25, 2006 letter to State Representative Phil LaJoy, Chair of the House Transportation Committee, which outlined the open and participatory process of the study. She cited a portion of that letter which read "...state legislators from each of the affected districts have been at the table eagerly participating in the first proactive and comprehensive bi-national effort to ensure that Southeast Michigan has the transportation infrastructure capacity to accommodate future growth in international trade." Although not always in agreement with MDOT, Commissioners Wendler felt that MDOT has made a "yeoman's" effort to involve the public in the process and help in understanding the demand and impact.

ACTION: Commissioner Cason moved to approve sending a letter to MDOT in support of the DRIC.
Commissioner Wendler seconded the motion.
Motion carried.

Deputy
Director's
Report:

Mr. Loper presented the Deputy Director's report.

At the Commission's request, CPC staff prepared a draft resolution in support of the Detroit Lead Partnership. The resolution calls upon the leadership of the CPC, Planning & Development Department, Buildings & Safety Engineering Department, Health and Wellness Department, RAD, Law Department, and the Mayor's Office to convene a meeting together with the Detroit Lead Partnership, ClearCorps Detroit, Detroiters Working for Environmental Justice and representation from the MI Department of Community Health to resolve issues concerning consent to release information on children with elevated blood lead levels and/or housing conditions in order to coordinate services to minimize risk to Detroit's children, including the listing of remediated housing on the lead safe registry and addresses of houses can be provided to the nonprofits for super cleaning.

ACTION: Commissioner Glenn moved to approve the resolution.
Commissioner Cason seconded the motion.
Motion carried.

CPC staff reviewed a draft resolution to City Council requesting the Council ask the Law Department about the status of the program to place liens on other properties owned by owners of demolished dangerous buildings. The Commission requested that the resolution incorporate language requesting the scheduling of a discussion with the City Council as soon as possible, preferably before budget deliberations.

**ACTION: Commissioner Jeffrey moved to approve the resolution as amended.
Commissioner Wendler seconded the motion.
Motion carried.**

Notes from the March 13, 2006 CPC Work Program Committee meeting were included in the CPC table packets.

Commissioners were reminded to notify the CPC office if they planned to attend the tribute to former Council President Mahaffey on March 24, 2006 at Cobo Center at noon.

Commissioners were invited to attend an April 6, 2006, 12:00 noon presentation sponsored by the Federal Reserve Bank of Chicago on the experience in Richmond, Virginia relative to targeting funds. Commissioners Cason, Jeffrey, Glenn, Simons and Wendler expressed interest in attending.

The CPC table packets included a flyer on meetings for the planning for the Future of Detroit Greenway System.

The CPC table packets included correspondence from the Planning & Development Department indicating that Detroit Wayne County Port Authority request to develop a new terminal and dock facility at the foot of Atwater in downtown Detroit is consistent with the Master Plan. CPC staff has not yet received correspondence from the Detroit Riverfront Conservancy (DRC) expressing support for the project. The DRC is in negotiation with the DWCPA.

Commissioner Wendler requested to receive a copy of CPC staff's report and analysis of the Master Concessionaire Agreement between the DWCPA and the Ambassador Port Company.

Commissioner Christensen was released from the hospital today and will be recuperating at home. It is not known at this time when he will be able to return to the CPC meetings.

Commissioner Glenn requested an update on activities of the 8 Mile Boulevard Association.

Adj.:

The meeting was adjourned at 6:25 PM.